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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91225408
Party	Defendant Instagram, LLC
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

PIXELS.COM, LLC,

Opposer,

vs.

INSTAGRAM, LLC,

Applicant.

Opposition No. 91225408

**REPLY BRIEF IN SUPPORT OF  
APPLICANT INSTAGRAM, LLC'S  
MOTION TO DISMISS COUNTS TWO  
AND THREE OF AMENDED NOTICE  
OF OPPOSITION**

**I. Introduction**

Applicant Instagram, LLC ("Instagram") submits this reply memorandum in support of its motion to dismiss Counts Two and Three of Pixels.com, LLC's ("Pixels") Amended Notice of Opposition to Instagram's application to register INSTA.

Pixels offers no justification in its opposition why it should be permitted to go forward on its claims of non-use and fraud. Pixels continues to argue that Instagram's INSTA mark does not create a separate commercial impression from its INSTA & Design mark, but Pixels ignores this Board's precedents holding that where a composite mark includes both a word and a design element, the word element is dominant and can be separately registered. As to Pixels' fraud claim, Pixels has not pointed to any allegations of particularized facts that would, if proved, establish that Instagram knew or believed that any third party had superior or clearly established rights in INSTA; to the contrary, Pixels' own allegations establish that Instagram did not (and does not) have any such knowledge or belief. Pixels' non-use and fraud claims should be dismissed.

## **II. Argument**

### **A. Pixels Misstates the Standard on a Motion to Dismiss.**

As a threshold matter, Pixels argues that its Amended Notice of Opposition should withstand Instagram’s motion to dismiss because Instagram’s motion demonstrates that “Instagram has received ‘notice’ of the claims and the grounds.” (Opp. at 8.) This argument misstates the standard on a Fed. R. Civ. P. 12(b)(6) motion to dismiss for failure to state a claim. It is black letter law that a complaint (or Notice of Opposition) must “state a claim to relief that is plausible on its face.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). “The purpose of the rule is to allow the court to eliminate actions that are fatally flawed in their legal premises and destined to fail, and thus to spare litigants the burdens of unnecessary pretrial and trial activity.” *Advanced Cardiovascular Systems, Inc. v. Scimed Life Systems, Inc.*, 988 F.2d 1157, 1160 (Fed. Cir. 1993) (citation omitted).

In order to apply the standard set out by the Supreme Court in *Ashcroft* and *Twombly*, this Board has held that it must consider whether the facts alleged in the Notice of Opposition “sufficiently demonstrate that [opposer] has a facially plausible claim for relief.” *Smith v. Entrepreneur Media, Inc.*, Canc. No. 92053982, 2012 WL 10056747, at \*2 (TTAB Feb. 23, 2012). To survive a motion to dismiss, the plaintiff (or opposer) must “plead[] factual content that allows the court to draw a reasonable inference that the defendant is liable for the misconduct alleged.” *Zoba International Corp. v. DVD Format/Logo Licensing Corp.*, Canc. No. 92051821, 2011 WL 1060727, at \*1 (TTAB Mar. 10, 2011); *see also Guess? IP Holder L.P. v. Knowluxe LLC*, 116 U.S.P.Q.2d 2018 (TTAB 2015) (“A motion to dismiss for failure to state a claim concerns only one issue: the legal sufficiency of the pleaded claims.”); *DC Comics v. Onetech Computer Consulting Inc.*, 76 U.S.P.Q.2d 1472 (TTAB 2005) (motion to dismiss is “a test of the legal sufficiency of the notice of opposition”).

Simply putting the applicant on notice of the nature of the claims – that is, pleading that merely allows the applicant to “identify” the claims (Opp. at 8) – is insufficient to meet that

standard. An opposer cannot withstand a motion to dismiss for failure to state a claim by giving the applicant “notice” of a claim that is legally insufficient or implausible. Instagram understands that Pixels believes the INSTA mark is not entitled to registration as a result of Instagram’s purported non-use of the mark; but if Pixels does not have adequate legal grounds to support that belief, its claim of non-use is subject to dismissal. For the reasons discussed below and in Instagram’s motion, Pixels’ claims are legally insufficient, and should be dismissed.

**B. Pixels’ Claim of Non-Use Should Be Dismissed.**

As set forth in Instagram’s motion to dismiss, Instagram is using its INSTA mark in conjunction with its camera logo, as shown in Instagram’s Registration No. 4,531,884 for its INSTA & Design trademark. Pixels argues that INSTA is not registrable because it does not create a separate commercial impression from the INSTA & Design mark, in that the design and word elements of the mark are “intertwined” (Opp. at 9). Pixels’ argument is contrary to prior rulings of this Board.

In the cases cited in Instagram’s motion to dismiss (at 8-9), this Board held that where a composite mark includes a word element and a design element, the word element is generally considered dominant. Pixels does not cite or attempt to distinguish these cases. Instead, Pixels cites cases that are not on point, in support of its contention that INSTA does not create a commercial impression separate and apart from the INSTA & Design mark as a whole.

For example, Pixels relies on *In re C.R. Anthony Co.*, 3 U.S.P.Q.2d 1894 (TTAB 1987). In that case, the Board found that the words PART OF THE BARGAIN were not registrable where the specimens showed those words were used as part of longer sentences in the applicant’s advertising text (*e.g.*, “Anthony’s Where 24 Convenient Locations are Part of the Bargain”). The Board held that purchasers would view PART OF THE BARGAIN “as no more than words used to compose phrases and sentences that form part of the advertising copy of advertisements with diverse messages,” and therefore that the words did not create a separate commercial impression. *Id.* Similarly, in *In re Royal Viking Line A/S*, 216 U.S.P.Q. 795 (TTAB 1982), the Board noted that the proposed mark WORLD CLASS only appeared “in four instances in the nine paragraphs

of descriptive information.” The Board held the words not registrable because they were used only to characterize the superior qualities of the applicant’s ships, and not as an origin-indicating term. *Id.*

Here, in contrast, INSTA is the dominant portion of the composite INSTA & Design mark. The INSTA word creates a separate commercial impression from the camera logo and indicates the source of Instagram’s goods and services, and is therefore registrable on its own. There is no advertising copy or descriptive information in the INSTA & Design mark; rather, INSTA is the only word that appears in the mark. The word INSTA “is the only literal portion of the mark and therefore it is the part of the mark which will be used to order and distinguish” Instagram’s products. *In re Lear Siegler, Inc.*, 190 U.S.P.Q. 317 (TTAB 1976).

In similar cases, the Board has permitted registration of a word mark supported by a specimen that shows the word mark used in conjunction with a design element. For example, registration of HY-LINE in standard characters for twist drills was upheld in light of a specimen that showed a drill-bit design along with the HY-LINE mark:



*Lear Siegler, supra.* Registration of PSYCHO in standard characters was upheld with a specimen that showed a great deal of extraneous material, including the additional use of the words BUBBALOU’S BODACIOUS BAR-B-QUE and a design of a pig and fire:



*In re Big Pig, Inc.*, 81 U.S.P.Q.2d 1436 (TTAB 2006). Registration of NANOCEUTICAL was upheld where the specimen showed the mark in very small type and combined with both a design element and additional text:



*In re Royal Bodycare, Inc.*, 83 U.S.P.Q.2d 1564 (TTAB 2007). In a case involving an analogous issue, the Board held that the mark below was not unitary, meaning that the word PROVENDER was “an easily separable component of the word-and-design composite mark”:



*In re Lillian Vernon Corp.*, 225 U.S.P.Q. 213 (TTAB 1985). And the Board refused to register separately the design element of a composite mark (shown on the left) where “the more significant part of the design” was covered by the words, but noted that “the words . . . may be lifted from the design and separately registered, since . . . they form the dominant part of the mark and since they are not obliterated by any part of the design”:



*In re Sperouleas*, 227 U.S.P.Q. 166 (TTAB 1985).

Under these authorities, the INSTA mark “creates a separate and distinct commercial impression which indicates the source of” Instagram’s goods and services apart from the design element of the camera logo. *See Big Pig, supra*. The INSTA word is “easily separable” from the camera logo. *See Lillian Vernon, supra*. It is not “intertwined” with the camera; rather, it is superimposed on the camera in the form of a label or brand name, and is the only word that appears on the composite mark. This Board has held that “[h]aving **wording on top of a design does not make the design so intertwined with the wording that the mark is singular and inseparable**”; rather, where the design element serves as a “vehicle for the display” of the word element, the word element makes a separate and distinct commercial impression from the design

element. *In re Ectribution, Inc.*, App. SN 77340762, 2008 WL 4155507 (TTAB Aug. 28, 2008) (emphasis added) (holding that TEMPLATES.COM made a separate commercial impression from design of colored blocks on which it was displayed). Here, the INSTA element of the composite INSTA & Design mark jumps out at the consumer as a source-identifying element; it is the “only literal portion” of the mark, and therefore is the part of the mark that consumers would use to refer to Instagram’s goods and services. *See In re Lear Siegler, supra*.

Accordingly, because INSTA creates a separate and distinct commercial impression from the INSTA & Design mark as a matter of law, Instagram renews its request that Pixels’ second claim for non-use be dismissed for failure to state a legally sufficient claim for relief.

### **C. Pixels’ Claim of Fraud Should Be Dismissed.**

As set out by Instagram in its motion to dismiss (at 10-11), the Federal Circuit and this Board have articulated strict standards for a claim of fraud on the PTO. It is not enough to allege, in conclusory fashion, that the applicant knew about a third party’s use of the mark; rather, the opposer must plead particular facts which, if proved, would establish that the applicant believed (or had no reasonable basis not to believe) that the third party “***had a superior or clearly established right to use the same or a substantially identical mark***” on the same or similar goods. *Intellimedia Sports, Inc. v. Intellimedia Corp.*, 43 U.S.P.Q.2d 1203 (TTAB 1997) (emphasis added). Even if the applicant knew that a third party claimed rights in the mark, there is no fraud if the applicant had a “plausible and understandable” belief that he or she was entitled to register the mark. *Yocum v. Covington*, 216 U.S.P.Q. 210 (TTAB 1982). As the Federal Circuit has explained, a senior user may be making a false declaration if he or she fails to acknowledge “conflicting rights of a junior user which are clearly established, for example, by a court decree, by the terms of a settlement agreement, or by a registration. However, the rights of a junior user must be clearly established” in order for that disclosure obligation to apply. *Rosso and Mastracco, Inc. v. Giant Food Inc.*, 720 F.2d 1263, 1266 (Fed. Cir. 1983). Thus, “the statement of an applicant that no other person ‘to the best of his knowledge’ has the right to use

the mark does not require the applicant to disclose those persons whom he may have heard are using the mark if he feels that the rights of such others are not superior to his.” *Yocum, supra*.<sup>1</sup>

That is exactly the situation here. Instagram did not believe that any third party had superior or clearly established rights in INSTA; to the contrary, it believed (and still believes) that it has exclusive rights in INSTA. Pixels has not alleged any particularized facts that would “impugn” that belief or establish, if proved, that Instagram’s belief was not honestly held. *See Intellimedia Sports, supra*. Indeed, for purposes of this motion, Instagram does not dispute Pixels’ allegation that Instagram knew at the time of its application for INSTA that third parties were using INSTA-formative marks that were likely to cause confusion. (*See* Amended Notice of Opp., ¶ 29.) The declaration that Instagram signed does not state that no such marks exist – rather, it states that no third party *has the right* to use such marks. Instagram did not believe then, and does not believe now, that third parties *have the right* to use any of the INSTA-formative marks that Pixels alleges Instagram has opposed or extended time to oppose. (*See* Amended Notice of Opp., ¶ 31.) That is precisely why Instagram has opposed them.

Pixels states that “the essence of [its] fraud claim is acquiescence.” (Opp. at 18.) Its purported logic is that (1) Instagram “had abandoned any right that it had to INSTA alone by acquiescence to its use by others both alone and in marks which it considered to be confusingly similar,” and (2) in signing its declaration in support of its application to register INSTA, Instagram “pretended there had not been acquiescence.” (Opp. at 12, 14-15.) But to adequately plead a fraud claim, Pixels must plead particular facts which, if proved, established that Instagram *itself believed* that it had acquiesced to such use, to the point where it had no legal

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<sup>1</sup> Pixels appears to be arguing that because the language of the declaration – *i.e.*, that “no other persons . . . have the right to use the mark in commerce” – does not include a reference to “superior rights,” that means the concept of “superior rights” is not applicable. (Opp. at 13.) This argument has no basis in law. The language of the declaration is set forth in the Lanham Act, 15 U.S.C. § 1051(a)(3)(D). The cases of this Board and the Federal Circuit obviously are interpreting the requirements of the Lanham Act in asserting that an applicant need not disclose third party rights unless those rights are superior or clearly established. To the extent Pixels is asserting that the Board can ignore this governing precedent, its argument should be disregarded.

claims against those parties. The problem is that Pixels does not (and cannot) allege such facts. The only facts it has alleged – that Instagram has opposed third party applications for INSTA-formative marks – if anything, suggest the opposite.

Count Four of Pixels’ Amended Notice of Opposition is styled as “Abandonment Based on Acquiescence”; Instagram has not moved to dismiss that claim on the pleadings, but will deny Pixels’ allegations and vigorously contest the claim on the facts. Thus, it is impossible for Pixels to allege that Instagram knew or believed, at the time it signed the declaration, that it had abandoned its rights in INSTA through acquiescence. In light of Pixels’ admission that its fraud claim depends on Instagram agreeing that it acquiesced in third party use of INSTA, that claim must be dismissed.

### **III. Conclusion**

For the reasons stated above and in Instagram’s motion to dismiss, Instagram respectfully requests that Counts Two and Three of Pixels’ Amended Notice of Opposition be dismissed without leave to amend.

Respectfully submitted,

KILPATRICK TOWNSEND & STOCKTON LLP

Dated: April 18, 2016

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on April 18, 2016, I served a true and complete copy of the foregoing **REPLY BRIEF IN SUPPORT OF APPLICANT INSTAGRAM, LLC'S MOTION TO DISMISS COUNTS TWO AND THREE OF AMENDED NOTICE OF OPPOSITION** by First-Class Mail, postage pre-paid, to the following correspondent of record for the Opposer, at its address of record:

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Dated: April 18, 2016

By: /s/ Sarah Lee  
Sarah Lee